

1 JUDGE CHACHKIN: Well, there would be --

2 MR. SCHONMAN: But --

3 JUDGE CHACHKIN: -- Commission official records
4 would have it, wouldn't it? They would have to reveal it in
5 the applications.

6 MR. SCHONMAN: We, we do have applications further,
7 further on in time, more recent applications which reflect
8 the, the composition of the companies.

9 JUDGE CHACHKIN: But wouldn't the applications for
10 these stations reveal who the Directors were, who the princi-
11 pals were? I mean I'm, I'm --

12 MR. SCHONMAN: Your, Your Honor --

13 JUDGE CHACHKIN: I'm saying if you're interested in
14 this information, it would seem to me it would be somewhere in
15 the Commission's files and the, and the --

16 MR. SCHONMAN: What I'm trying -- what I'm --

17 JUDGE CHACHKIN: If you want to take official notice
18 of it, you can. I mean, if, if you want it in facts as to who
19 the Directors were, if there's no opposition.

20 MR. SCHONMAN: What I, what I was trying to deter-
21 mine is what, what was common about these companies that they
22 would be included in a common balance --

23 JUDGE CHACHKIN: All right. Well --

24 MR. SCHONMAN: -- sheet.

25 JUDGE CHACHKIN: -- then continue --

1 MR. SCHONMAN: And --

2 JUDGE CHACHKIN: -- the questioning. I just thought
3 if you wanted to know who the Directors were, I'd assume you
4 could take official notice and examine the Commission's re-
5 cords and --

6 MR. SCHONMAN: We --

7 JUDGE CHACHKIN: If that's your intention, and
8 apparently there's no objection to doing so.

9 BY MR. SCHONMAN:

10 Q Mrs. Duff, would you kindly look at Bureau Exhibit
11 No. 4? And on page 1 there's a reference to yourself and
12 you're identified there as Vice President.

13 A That's correct.

14 Q Do you recall when you became Vice President?

15 A I think it was either simultaneously with the Assis-
16 tant Sec-- I think it was probably at the same time as when I
17 was Assistant Secretary. I was just trying to make sure of
18 the record, because it's so far back I wasn't absolutely sure,
19 but I think it was about at the same time.

20 Q Well, if, if it wasn't the same time, is there any
21 reason why in Bureau Exhibit No. 1 you're identified as
22 Assistant, Assistant Secretary but not as a Vice President?

23 A I don't know. That, that was a little bit confusing
24 to me, because I was thinking it was done at the same time,
25 but I want to make sure, you know, because my memory is not

1 that good that far back, but I think that it was at the same
2 time.

3 Q Do you know who prepared Bureau Exhibit No. 1?

4 A No, I don't.

5 Q Do you know who prepared Bureau Exhibit No. 4?

6 A This looks like Norm Juggert's document.

7 Q And Norm Juggert obviously was on the Board of TBN?

8 A Yes.

9 Q And he was an Officer of TBN?

10 A That's correct.

11 Q And we're talking about the time of this document in
12 1980?

13 A Yes.

14 Q And at that time was he also TBN's attorney?

15 A Yes.

16 Q Do you know if TBN had any type of retainer agree-
17 ment with Mr. Juggert? At that time?

18 A At that time I don't know if they did or not.

19 Q Do you know whether he was paid for his services at
20 that time?

21 A Yes, he was paid for his services.

22 Q Was there any written agreement with Mr. Juggert at
23 that time regarding the, the amount he would be paid for his
24 services to TBN?

25 A I don't remember seeing a written agreement as to

1 how much he would charge, but I did get his bills and I would
2 sign off on his bills and I remember when Mr. Crouch explained
3 to me about his account. He said: don't worry about Norm's
4 account because he always charges us less than what his time
5 is really worth. And that was -- were his remarks to me.

6 Q Did Mr. Juggert also do work on behalf of the other
7 Trinity companies that existed at this time?

8 A Yes, he did.

9 Q Was he paid for his services that were rendered on
10 behalf of those companies?

11 A His bill would indicate who his services were per-
12 formed for. He would have a -- he usually would have a nota-
13 tion by each one of the, the charges.

14 Q And by the other companies, I'm referring to Trinity
15 Broadcasting of Arizona, of Denver, of Florida, Hawaii,
16 Oklahoma, Seattle, and Texas.

17 A Yes. He would have a notation.

18 Q And was he paid for those services rendered on
19 behalf of those companies?

20 A To go that far back, I, I don't really remember if
21 his bills included each and every one of those, you know. If
22 he, if he did some work, I think he probably did put a, a
23 notation that I would know which company was -- he -- you
24 know, which company was -- the work was performed for.

25 Q And Trinity Broadcasting Network paid Mr. Juggert

1 for services rendered on behalf of those companies?

2 A Yes.

3 Q Were those companies considered "owned and operated"
4 companies?

5 A Yes.

6 Q Could you tell me what "owned and operated" means to
7 you?

8 A To me, it just means that there's -- that the direc-
9 tors -- at least some of the directors are in common.

10 Q Mrs. Duff, on pages 1 and 2, there is a handwritten
11 reference to an individual -- if I can read and pronounce it
12 correctly, Patricia Calavekio (phonetic sp.).

13 A That's correct.

14 Q Who is or was Patricia Calavekio?

15 A At that time, she was Executive Secretary for Mr.
16 Crouch.

17 Q Does this indicate that she was made a Vice
18 President of, of TBN?

19 A No. I think this references that she would be able
20 to sign checks such -- you know, such as an assistant
21 secretary.

22 Q Now, it also identifies, that is, Bureau Exhibit 4
23 on the first page identifies William G. Phipps as Comptroller.

24 A Yes.

25 Q What were his duties at TBN at that time?

1 A He was Director of Finance.

2 Q Who did he report to?

3 A Mr. Crouch.

4 Q Paul Crouch?

5 A Yes.

6 Q Did he have a staff of his own at that time?

7 A Mr. Phipps? Yes, I believe he did have a secretary,
8 and he would have been responsible for the Accounting
9 Department also.

10 Q Would you turn to Bureau Exhibit No. 5, and that's a
11 Special Meeting of TBN held on September 11, 1980. And if you
12 look at the third paragraph -- why don't you take a moment to
13 read that to yourself.

14 A Yes.

15 Q You, you were on the Board at this time, weren't
16 you?

17 A Yes.

18 Q What does that paragraph mean?

19 A This has a reference to the desire to have our
20 affiliates to file Translator applications. This was shortly
21 after the new low-power rules were proposed by the FCC and I
22 think this is a reference -- actually, probably the first
23 reference to what was to be translator. When he mentions
24 affiliates, I, I think that's what that would be a reference
25 to, Translator TV.

1 Q What does the paragraph mean when it says "to
2 pursue..." -- "that the corporation pursue..." -- and, and I'm
3 emphasizing the word "directly," "directly or by encouraging
4 it's affiliates"? What does that mean?

5 A Well, either or, to either file -- either Trinity
6 file or encourage its affiliate, at that time would have been
7 Translator -- to file for the translator applications.

8 Q What is meant by the word "affiliates"?

9 A An affiliate would be another corporation.

10 Q Well, as of September 1980, can you give me the name
11 of one or more affiliates, affiliate companies?

12 A Well, I would think that at that particular time we
13 had in mind Translator and I -- possibly some other entity.
14 At that time I, I don't remember what it would have been. I
15 don't know why it would be plural, because I, I only had in
16 mind Translator TV.

17 Q In other -- when you say Translator TV, you're
18 talking about Translator TV, Inc., which later became NMTV?

19 A Yes.

20 Q Okay. So, as of September 1980, had Translator TV,
21 Inc., come into being yet?

22 A I think this was the inception or at least the
23 concept was in, in mind at that particular time.

24 Q Was, was the concept of forming a company Translator
25 TV, Inc., in mind before September 11, 1980?

1 A I think this must have been almost the inception
2 right, right here, the -- you know, the, the Directors were
3 thinking of, of doing this at this particular time. I'm --
4 not at -- you know, the exact date as to whether, you know,
5 what it -- actually was birth, I can't remember for sure.

6 Q When you came on board at TBN in 1979, did you have
7 any understanding that, that a company, by whatever name, was
8 being contemplated for the purpose of filing low-power appli-
9 cations or translator applications?

10 A Not in '79. I don't believe in '79. I don't think
11 I was aware of a concept that early.

12 Q Now, there came a time after this meeting, after
13 September 11, 1980, that Translator TV was created. Is that
14 correct?

15 A Yes.

16 Q Why was Translator TV, Inc., formed?

17 A As a result of the Commission's rules that said that
18 there would be opportunities for minorities, and Mr. Crouch at
19 that time had understood that the FCC was encouraging broad-
20 casters to give opportunities to minorities, and at that time
21 I think women were also being considered as -- you know, to
22 get preferential treatment. So, the idea was to give opportu-
23 nities for minorities to file and to have ownership, and this
24 was a new concept for, for translators, because prior to this
25 time it was not legal for a station to be a stand-alone sta-

1 tion and, and rebroadcast the programming of another station.
2 This would be like a satellite type of a opportunity.

3 Q Well, I'm, I'm trying to understand this. Was it
4 your understanding that the Commission wanted to encourage
5 minorities to become involved in translator stations or was it
6 your understanding that the Commission wanted to encourage
7 minorities to become involved in low-power stations?

8 A In, in broadcasting.

9 Q Broadcasting generally?

10 A Right. In broadcasting generally.

11 Q Why, why was a new company formed? Why didn't TBN
12 merely hire more minorities to fulfill the Commission's in--
13 wishes?

14 A TBN did hire minorities, but there's a difference
15 between employees and people that had opportunities for, you
16 know, for real ownership, and I think that's -- that was the
17 concept that we were, we were looking at, and that's why I was
18 so interested in the, in the idea myself.

19 Q So, the purpose of Translator TV was minority owner-
20 ship --

21 A Right.

22 Q -- in the broadcasting industry?

23 A Right.

24 Q Was there any other goal or intention of Translator
25 TV, Inc.?

1 A Well, of course we wanted to be able to -- my inter-
2 est, and of course Mr. Crouch's interest too, and, and David
3 Espinoza subsequently became a Board member, was to, to propa-
4 gate the gospel, and there were all these benefits that they
5 were all rolled into one. We were all excited about the
6 prospect of this new enterprise and it gave all kinds of
7 opportunities, because we could see -- at that time the
8 Commission had said that there could be local origination. We
9 were thinking about minority programming as well. And --

10 Q So, there was a, a dual goal, then?

11 A Oh, yes.

12 Q First, there was minority ownership --

13 A Yes.

14 Q -- and then there was minority programming?

15 A Right.

16 Q Those were the two primary goals?

17 A I would think they were.

18 Q Will you turn to Bureau Exhibit No. 6, please? Now,
19 that's a letter from Mr. Juggert to the Law Offices of Gammon
20 and Grange.

21 A Yes.

22 Q Did Mr. Juggert draft and file Translator TV, Inc.'s
23 Articles of Incorporation?

24 A Yes, he did.

25 Q Have you ever seen this letter before, the letter

1 dated September 16, 1980?

2 A Well, if I did I don't remember it. It's been so
3 long.

4 Q Do you recall any questions among the Directors
5 about the new company, Translator TV, Inc., as to how
6 Translator TV, Inc., should relate to TBN?

7 A It was to be a separate corporation. I, I remember
8 that. And other, other than it was to be separate, I, I don't
9 remember much in the way of discussions.

10 Q This, I would take it, was the first instance in was
11 -- in which Mr. Juggert engaged in rendering services on
12 behalf of Translator TV, Inc., that is the --

13 A The ar--

14 Q -- drafting and the filing of the Articles?

15 A I would think this was probably about the first
16 thing.

17 Q And from that point on, Mr. Juggert provided con-
18 siderable services for Translator TV, Inc.?

19 A Well, actually, there weren't -- there wasn't that
20 much that happened with Translator in the early days because
21 of the -- especially for Mr. Juggert, because the only
22 involvement after the formulation of the corporation would be
23 the minutes that he would do at the joint meeting, which wa--
24 the, the minutes were combined, so that was just very minimal.
25 And the only activity was at the time that we filed the

1 application with the FCC, and Gammon and Grange provided those
2 services for us.

3 JUDGE CHACHKIN: What exemption application you --
4 is being referred to in the bottom of Bureau Exhibit 6?

5 MRS. DUFF: Exhibit 6. This would be our Translator
6 Exempt Organization Application to get a tax exemption from
7 the IRS.

8 MR. COHEN: It's in the record, Your Honor.

9 JUDGE CHACHKIN: All right.

10 BY MR. SCHONMAN:

11 Q Mrs. Duff, what role, if any, did you play in draft-
12 ing Translator TV, Inc.'s By-Laws?

13 A I didn't draft the By-Laws. Mr. Juggert drafted the
14 By-Laws.

15 Q Did you have any input in any respect as to the
16 language or provisions contained in Translator TV, Inc.'s By-
17 Laws?

18 A No, I don't think I, I -- I don't think I did.

19 Q No input whatsoever?

20 A I read the By-Laws and it, just to me, appeared that
21 they were a standard type of by-laws for a nonprofit organiza-
22 tion, and I relied upon Mr. Juggert for that, because that was
23 his expertise, is nonprofit.

24 Q Mr. Juggert drafted the By-Laws?

25 A Yes.

1 Q Would you turn to Bureau Exhibit No. 9? And those
2 are the, the By-Laws for Translator TV, Inc.?

3 A Yes.

4 Q Do you know why the By-Laws identify their principal
5 place of office as 2442 Michelle, Tustin, California?

6 A That's where all the Directors, with the exception
7 of Mr. Espinoza, did business.

8 Q That's TBN's headquarters, isn't it?

9 A Yeah. That's correct. That's where my office was
10 and Mr. Crouch's office. And it wouldn't have been very
11 practical for an organization upstart to have a separate
12 office when there was -- it was just beginning.

13 Q Do you know how many directors the By-Laws provided
14 for?

15 A Gosh, it's been so long since I looked at this. I,
16 I don't, I don't really remember.

17 Q Well, I think the By-Laws will re-- will reflect
18 that it provided for 10 -- up to 10 directors.

19 A Um-hum.

20 Q Did Translator, TV, Inc., or NMTV, as it later
21 became known, ever have up to 10 directors?

22 A No.

23 Q Why not?

24 A Because the more directors you have the more prob-
25 lems you have. It, it just makes a, a board more cumbersome

1 if you have a lot of, a lot of directors. And, and I can
2 under-- Mr. Crouch's experience in the past has been that he
3 had had some real problems with hostile takeovers at least
4 twice with, with Trinity and the idea of having a full, you
5 know, nine members would -- he had found that it wasn't really
6 necessary to conduct business and it's better to have a small-
7 er board.

8 Q Wouldn't it have served the goals of Translator TV,
9 Inc., to have 10 minorities on the Board, if that was the
10 stated goal of the company, minority ownership?

11 A I think at that particular time it would have been a
12 frustration to any group, especially with as little activity
13 as we had. There would have been a fourth director had Mr.
14 Ramondo Ramirez been a citizen, because I had asked him to be
15 a member, but at the time he was not a citizen, but he is a,
16 he is a member now.

17 Q But at no time, up until today, there's never been
18 10 members on the Board?

19 A Well, I concur with Mr. Crouch that the more members
20 you have, the more problems you have, the more cumbersome the
21 board is. And I'm on a board now that has eight members and
22 we have extreme difficulty getting a quorum so we can even
23 have an annual meeting. So, I still feel like a board is a
24 lot easier to -- it's easier to get things done if you have a
25 small board.

1 Q What was the criteria for choosing a member of the
2 board for Translator TV, Inc.?

3 A Mr. Crouch, being Caucasian, wanted to make sure
4 that he had other people that were minorities. Everybody else
5 had to be a minority.

6 Q Anything else? Did you have to be a minister, be
7 involved in religious organizations or something?

8 A We wanted people that were like-minded, and that
9 would mean that at least people had the same goals and
10 purposes.

11 Q And the goal was to propagate the, the faith --

12 A Yes.

13 Q That was the overriding goal of, of the organiza-
14 tion, was it not, to propagate the faith?

15 A Oh, absolutely, and to reach out into the minority
16 community and to give opportunities for minorities, especially
17 to give opportunities to minority pastors to be a part of the,
18 the programming.

19 Q Who were like-minded?

20 A Well, we were very -- we still are very broad in the
21 scope of the ministries that are on the network. We have a
22 very broad cross-section of denominational people that -- very
23 broad cross-section.

24 Q But as far as directors are concerned, you wanted
25 ministers who were like-minded with Mr. Crouch, is that

1 correct?

2 A We wanted people that we could flow together and we
3 could work together, yes.

4 Q Mrs. Duff, on page 3 of the By-Laws, section 3,
5 Election and Terms of Office of Director, is my reading of
6 that correct that the directors serve for a period of three
7 years?

8 A Okay. I'm on the wrong page, I think. What --
9 exhibit --

10 Q Is that -- we're on Bureau Exhibit No. 9.

11 A Oh, I'm sorry.

12 Q The By-Laws of Translator TV, Inc., and we're on
13 page 3 of that exhibit, Election and Terms of Office of
14 Director.

15 A Yes.

16 Q And my question was is my reading of that correct in
17 that directors were elected for a period of three years?

18 A Yes.

19 Q Were there terms of office for the officers of
20 Translator TV, Inc.

21 A The officers could be changed as needed, is my
22 understanding, because of their function was mainly for conve-
23 nience so that they could sign documents and that type of
24 thing.

25 Q So, there, there were no terms of office?

- 1 A I don't believe for officers.
- 2 Q In other words, they served at the pleasure of --
- 3 A At the pleasure --
- 4 Q -- the Board?
- 5 A -- of the Board, yes.
- 6 Q Let's turn to Bureau Exhibit No. 10, and that,
- 7 that's entitled Minutes of First Meeting of Board of Directors
- 8 of Translator TV, Inc., and that was held on September 19,
- 9 1980. Do you see that?
- 10 A Yes.
- 11 Q Do you want to take a moment to review that? Let me
- 12 know when you're --
- 13 A Do you want me to review the whole Minute?
- 14 Q To the extent you feel comfortable. I'm going to
- 15 ask you some questions about them.
- 16 A Yes. I reviewed the Minutes.
- 17 Q Now, as I understand it, this was the meeting where
- 18 the, the Officers were elected?
- 19 A Yes.
- 20 Q Is that correct? My first question is it would
- 21 appear that Reverend Espinoza was absent from this meeting.
- 22 Is that correct?
- 23 A Yes. He was, he was not at the very first meeting.
- 24 Q Do you know why?
- 25 A No, I don't.

1 Q Well, let's move on to the election of the Officers.
2 It indicates that Paul Crouch was elected President of
3 Translator TV, Inc.

4 A Yes.

5 Q Do you know why he was elected President?

6 A I would -- don't remember discussing it at the time,
7 but he was the man with the experience and to me it was a
8 natural thing for him to be the President. He had the broad-
9 casting and business experience.

10 Q Wouldn't it have been more natural to have a minor-
11 ity elected as the President of this company?

12 A I didn't think anything about it because the major-
13 ity was a minority, so it really -- I didn't think it made any
14 difference who was the President.

15 Q Why were you elected the Vice President and
16 secretary?

17 A I don't even remember thinking about it at the time.
18 We were all Directors.

19 Q Why was Mr. Espinoza elected Chief Financial
20 Officer?

21 A I don't even remember discussing it. I really don't
22 remember that much about the -- I mean, 13 years ago.

23 Q Do you know if Mr., Mr. Espinoza had any experience
24 in the area of finances that he would be elected to be Chief
25 Financial Officer?

1 A At that particular time, I, I don't remember whether
2 I considered that or even knew about it at the particular
3 time.

4 JUDGE CHACHKIN: Was there any doubt in your mind
5 prior to this meeting that Mr. Crouch would be President?

6 MRS. DUFF: I don't remember even thinking about it,
7 that it's been so long ago. I don't, I don't even remember it
8 being a consideration.

9 JUDGE CHACHKIN: What do you mean being a
10 consideration?

11 MRS. DUFF: That I thought about him being the
12 President as opposed to somebody else being the President.

13 JUDGE CHACHKIN: Well, was there a vote taken or did
14 just Mr. Crouch said I will be President? Do you remember
15 what happened?

16 MRS. DUFF: There was an election and Mr. Crouch was
17 elected President. All I can do is try to reconstruct, be-
18 cause I don't have a, a memory of what went on. You know,
19 it's 13 years ago.

20 JUDGE CHACHKIN: But you were the only two individ-
21 uals, two Directors, there, were you not?

22 MRS. DUFF: Right, and I don't, I don't remember
23 really how it occurred except that to me Mr. Crouch being the
24 president was a natural thing. He was the -- it was his idea.
25 It was hi-- it was his in-- idea of having the corporation.

1 And, so, I didn't think it was anything other than just
2 natural.

3 BY MR. SCHONMAN:

4 Q Mrs. Duff, on page 3 of these Minutes, third para-
5 graph from the bottom, it says, "Resolve that all funds of
6 this Corporation be deposited with Hacienda Division of
7 Mitsubishi Bank." And then it gives the address Garden Grove,
8 California.

9 A Yes.

10 Q My question for you is did Translator TV, Inc., have
11 an account with that bank?

12 A I believe that -- at that particular time I don't
13 think Translator had its own bank account.

14 Q How could funds be deposited at that bank if there
15 was no account?

16 A At, at that particular time, I, I think this -- the
17 idea was that they would -- they were to open an account.
18 That was why it was in the Minutes.

19 Q And did they open an, an account that year, that is,
20 1980?

21 A I don't, I don't recall if it was done that year or
22 not. There's so little of this that I remember that far back.

23 Q Was there an account at this bank opened up at any
24 time in 1981 on behalf of Translator TV, Inc.?

25 A I don't remember if there was or not in 1981.

1 Q 1982, same question?

2 A I don't remember focusing on when a, a bank account
3 was opened except in 1987.

4 Q That in fact is the first time that Translator TV,
5 Inc., opened a bank account in its own name, isn't it?

6 A That's the only time I can remember that there was
7 an account opened for National Minority.

8 Q Will you turn to Bureau Exhibit No. 11, please? You
9 signed it once as Temporary Secretary and then a second time
10 as Secretary. Is that correct?

11 A Yes.

12 Q Those are your signatures?

13 A Yes.

14 Q What -- why did you sign it once as Temporary
15 Secretary and then a second time as Secretary?

16 A Back that far, I don't have the slightest idea
17 without, you know -- I don't, I don't remember.

18 Q Did someone tell you to do that?

19 A There must have been -- I, I would only have to
20 reconstruct. I, I don't have a memory of that.

21 Q Who prepared this Supplement to the First Meeting of
22 the Board of Directors of Translator --

23 A Most --

24 Q -- TV, Inc.?

25 A Most likely it would have been Norm Juggert.

1 Q Who asked him to do that, that is, prepare the
2 document?

3 A Well, the Board must have required it. I don't
4 remember the document myself. Thirteen --

5 Q When you say the Board asked him, did you ask him?

6 A I don't even remember. I don't remember the docu-
7 ment or the circumstances, so I don't have a memory of it.

8 Q Mrs. Duff, would you turn to Bureau Exhibit No. 13.
9 That's an Application for Recognition of Exemption filed with
10 the IRS. Why don't you take a moment to just familiarize
11 yourself with that document.

12 A Yes.

13 Q Do you know who prepared this form?

14 A Probably Norm Juggert, or it could have been pre-
15 pared in Mr. Crouch's office. I, I'm not sure.

16 Q Are you saying that Mr. Crouch might have prepared
17 it?

18 A It might have been prepared by his secretary.

19 Q Did you provide any of the information that is
20 contained in this Application for Recognition of Exemption?

21 A I probably assisted him in some of the information
22 that was prepared as an exhibit.

23 Q Assisted who?

24 A I probably assisted Mr. Crouch in -- with some of
25 the information for the exhibit or, or for -- gave the

1 information to his secretary.

2 Q Are you able to tell me what information you may
3 have provided?

4 A Well, there is an exhibit as -- A.

5 Q So, you may have provided information about
6 exhibit A?

7 A Right.

8 Q On page 2 of this form, it talks about why
9 Translator TV, Inc., was formed, and I notice that there is
10 absent from this description any reference to the goals of the
11 company, that is, to provide minority ownership or minority
12 programming which you've testified were the major goals of
13 this company. And my question for you is why in the descrip-
14 tion of the company and its goals has Translator TV, Inc., not
15 revealed or disclosed the goals that you've testified to?

16 A Well, this application was for the IRS and for our
17 exemption, and I don't believe that the IRS is focused on
18 minority purposes and their interest is only in if this is a
19 nonprofit organization, and we had to be able to show the
20 reasons that we should accept -- that we should receive a tax
21 exemption.

22 Q What's your basis for that understanding?

23 A I beg your par--

24 Q What is your basis for the understanding as to what
25 the IRS would like to see in this application?

1 A Well, the IRS gives an exemption based on whether
2 this is a charitable organization, and I have never known the
3 IRS to give any preferences for minorities. It's strictly for
4 those that meet the criteria for exempt purpose, and they're
5 fairly narrowly defined by the IRS, and I don't -- I'm not
6 aware of it ever having anything to do with giving benefits to
7 minorities. So, that's what our focus was here.

8 Q Before this time, had you had any involvement in
9 filling out an Application for Recognition of Exemption with
10 the IRS?

11 A Yes. In, in the very beginning. This is -- I
12 worked with -- on this application. I read the form and I
13 didn't see anything at all that has to do with minority pref-
14 erences. My experience has been since then I have never
15 noticed anything about the IRS that would give benefits to
16 minorities.

17 Q There is also no reference, as I understand it, to
18 Translator TV, Inc.'s goals of broadcasting TV and program-
19 ming. Is that correct?

20 A Yes, I think that's fairly well-stated. We mention
21 that on page 3.

22 Q I'm talking about paragraph 3, the description of
23 Translator TV, Inc.

24 A I'm, I'm not focusing on your question.

25 Q On page 2 of this application, the IRS is asking for

1 a narrative description of the activities presently carried on
2 by the organization or those that will be carried on.

3 A Well, it says here: "We will receive Christian
4 program-- television program by satellite and broadcast same
5 to the cities where we are licensed. In addition, in each
6 location we will develop and broadcast local Christian pro-
7 grams." And that's basically what it -- what our purpose was,
8 as far as IRS is concerned.

9 Q Mrs. Duff, would you turn to Bureau Exhibit No. 14,
10 please? In the second paragraph, Mr. Dunne writes to you,
11 "You will note the changes in Exhibits 4 and 5. Of course we
12 will need a balance sheet for the applicant itself." And then
13 he writes in parenthesis, "(Translator TV, Inc.) when that
14 becomes available." Do you see that?

15 A Yes.

16 Q Do you have any knowledge as to why Mr. Dunne felt
17 that it was necessary to remind you who the applicant was?

18 A Just -- I think that attorneys tend to be very
19 detailed and I didn't think anything other than that. There
20 were more than one entity that we were dealing with, the other
21 corporations that I was also responsible for.

22 Q What corporations were those?

23 A That would have been the Trinity Corporation. I was
24 working for TBN. And there would have been other things that
25 -- other corporations that had filed applications which were